



Natural Resources Council of Maine

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**Testimony Neither for nor Against LD 274, An Act Making Unified Allocations from the Highway Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026, and June 30, 2027**

**To the Committee on Transportation**

**by Josh Caldwell, NRCM**

**March 11, 2025**

Senator Nangle, Representative Crafts, and distinguished members of the Committee on Transportation, my name is Josh Caldwell, and I am here on behalf of the Natural Resources Council of Maine (NRCM). NRCM is Maine's leading nonpartisan membership organization dedicated to protecting Maine's environment, with nearly 24,000 supporters statewide and beyond. I am also the Vice-Chair of the Public Transit Advisory Council, and I serve on the Transportation Working Group for the Maine Climate Council.

My testimony will focus on recommendations from the Public Transit Advisory Council (PTAC)'s 2025 report, specifically those pertaining to the budget before you today. The full report will be presented in more detail on March 18, but you have been provided with an electronic copy of the 2025 report.<sup>1</sup> The PTAC was established in 2019, and the 30 members of the committee, representing transit interests in every transit district in Maine, produce a report every other year to assess the current level of public transit service and infrastructure throughout the state and make recommendations as to how that infrastructure and service can be improved.

Public transit is a valuable piece of Maine's transportation system, providing options and access to tens of thousands of Maine people. Every dollar invested in public transit leads to five dollars in economic generation according to the American Public Transit Association.<sup>2</sup> A recent report found that despite the fact that 90,000 people of driving age do not have a driver's license and 40,000 Maine households do not have access to a vehicle, Maine is meeting only 11% of the

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<sup>1</sup> Maine DOT, *Public Transit Advisory Council*, 2025, <https://www.maine.gov/mdot/transit/ptac/>

<sup>2</sup> American Public Transit Association, *Public Transit Facts*, 2023, <https://www.apta.com/news-publications/public-transportation-facts/>

demonstrated need for transit throughout the state.<sup>3</sup> With the cost of personal vehicle ownership – averaging \$12,000 per year and rising — public transportation is an appealing and necessary option for residents and visitors alike.<sup>4</sup>

The number one recommendation that emerged from the PTAC process is to increase funding for transit operations. Right now, transit operators are struggling to maintain current levels of service, and ridership among many local transit providers is still rebounding from a pandemic low. Costs are rising, and transit operators are challenged to recruit and maintain staff to keep service running, whether that's fixed-route bus transit or rural on-demand ride services.

Through 2022, the State's contribution to transit operations was stuck at an insufficient \$1.14 million annually, or less than a dollar per state resident. Thanks to committed advocacy and coordination with MDOT, that number has since risen by \$5 million annually, though in 2024, \$2 million of that total was used for discretionary transit projects rather than for transit operations. These increases are appreciated and greatly needed but must be continued year over year in order for transit operators to maintain reliable service, let alone expand that service to meet a greater proportion of the need for rides in Maine.

The PTAC studied transit funding data and determined that the 16 state transit providers collectively raise \$8.9 million in local municipal operations funding every year. This doesn't count the additional \$35 million raised in fares and other directly generated funds such as advertising and foundation grants.

To best support local transit operators and actualize the benefits of public transit for Maine, the PTAC is recommending that the State match local contributions by providing \$8.9 million in annual operating funding. This investment would help to stabilize current operations while providing a foundation for local operators to consider expanding services to provide Mainers with better access to jobs, businesses, and essential services. We think that providing \$2 million in discretionary funding for innovative transit projects is worthwhile but should be in addition to and not instead of a needed operations baseline.

I also wanted to point out that the current biennial budget before you shows an annual \$5 million allocation to transit operations. Our understanding is that that number should actually be \$6.14 million, as the increase of \$5 million annually should be in addition to a \$1.14 million baseline.

Public transit is a good investment for our economy, our workforce, our towns big and small, our environment, and our connectivity. For these reasons, I hope you'll consider increasing funding

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<sup>3</sup> John T. Gorman Foundation, *Data Brief Shows Gap in Maine Families Access to Transportation*, January 2025, <https://www.jtgfoundation.org/2025/01/data-brief-shows-gaps-in-maine-families-access-to-transportation/>

<sup>4</sup> AAA, *The Price of New Car Ownership Continues to Climb*, 2024, <https://newsroom.aaa.com/2024/09/aaa-your-driving-costs-the-price-of-new-car-ownership-continues-to-climb/>

for transit operations throughout Maine. Thank you for your time, and I'm happy to answer any questions you may have.